

ORDINANCE NO. 0-04-04

AN ORDINANCE CALLING A SPECIAL ELECTION IN THE CITY OF ARKADELPHIA, ARKANSAS ON THE QUESTION OF LEVYING A NEW ONE-FOURTH OF ONE PERCENT (0.25%) SALES AND USE TAX WITHIN THE CITY OF ARKADELPHIA, ARKANSAS; AND PRESCRIBING OTHER MATTERS PERTAINING THERETO.

WHEREAS, the Board of Directors of the City of Arkadelphia, Arkansas (the "City") has passed on April 15, 2004, Ordinance No. 0-04-03 providing for the levy of a new one-fourth of one percent (0.25%) sales and use tax within the City (the "Sales and Use Tax"); and

WHEREAS, the Sales and Use Tax is to be levied and collected on the gross receipts, gross proceeds or sales price for each single transaction in the maximum amount allowed from time to time by Arkansas law; and

WHEREAS, the purpose of this Ordinance is to call a special election on the question of the levy of the Sales and Use Tax;

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of the City of Arkadelphia, Arkansas:

Section 1. There is hereby called a special election, to be held on May 25, 2004, at which election there shall be submitted to the electors of the City the question of the levy of the Sales and Use Tax.

Section 2. The question of levying the Sales and Use Tax shall be placed on the ballot for the election in substantially the following form:

If the tax is approved, the net collections of the tax after deduction of the administrative charges of the State of Arkansas, will be used by the City solely for the purposes set forth below. The levy of the tax is not dependent on any bonds being approved or issued and is separate from the 0.75% sales and use tax being voted solely to pay and secure bonds.

0.25% SALES AND USE TAX

FOR adoption of a 0.25% local sales and use tax within the City of Arkadelphia, Arkansas, the net collections of which after deduction of the administrative charges of the State of Arkansas will be used by the City (a) to finance the operation and maintenance of park and recreational facilities and/or (b) to pay and secure the repayment of capital improvement bonds approved by the voters and issued from time to time by the City to finance park and recreational improvements.

AGAINST adoption of a 0.25% local sales and use tax within the City of Arkadelphia, Arkansas, the net collections of which after deduction of the administrative charges of the State of Arkansas will be used by the City (a) to finance the operation and maintenance of park and recreational facilities and/or (b) to pay and secure the repayment of capital improvement bonds approved by the voters and issued from time to time by the City to finance park and recreational improvements

Section 3. The Sales and Use Tax shall be levied and collected on the gross receipts, gross proceeds or sales price for each single transaction in the maximum amount allowed from time to time by Arkansas law. "Single transaction" is defined according to the nature of the goods purchased as follows:

A. When two or more devices in which or by which any person or property is, or may be, transported or drawn, including but not limited to, on-road vehicles, whether required to be licensed or not, off-road vehicles, farm vehicles, airplanes, water vessels, motor vehicles, or non-motorized vehicles, and mobile homes, are sold to a person by a seller, each individual unit, whether part of a "fleet" sale or not, shall be treated as a single transaction for the purpose of the Sales and Use Tax.

B. The charges for utility services, which are subject to the Sales and Use Tax, and which are furnished on a continuous service basis, whether such services are paid daily, weekly, monthly or annually, shall be computed in daily increments, and each such daily charge increment shall be considered to be a single transaction for the purposes of the Sales and Use Tax.

C. For sales of building materials and supplies to contractors, builders or other persons, a single transaction, for the purposes of the Sales and Use Tax, shall be deemed to be any single sale which is reflected on a single invoice, receipt or statement, on which an aggregate sales (or use) tax figure has been reported and remitted to the State of Arkansas.

D. When two or more items of major household appliances, commercial appliances, major equipment and machinery are sold, each individual unit shall be treated as a single transaction for the purposes of the Sales and Use Tax.

E. For groceries, drug items, dry goods and other tangible personal property and/or services not otherwise expressly covered in this Section, a single transaction shall be deemed to be any single sale which is reflected on a single invoice, receipt or statement, on which an aggregate sales tax figure has been reported and remitted to the State of Arkansas.

Section 4. In the event the General Assembly shall define "single transaction," the General Assembly's definition shall replace the one in Section 3 hereof.

Section 5. The election shall be held and conducted and the vote canvassed and the results declared under the law and in the manner now provided for municipal elections unless otherwise provided in Title 26, Chapter 75, Subchapter 2 of the Arkansas Code of 1987 Annotated (the "Authorizing Legislation") and only qualified voters of the City shall have the right to vote at the election.

Section 6. The results of the election shall be proclaimed by the Mayor, and his Proclamation shall be published one time in a newspaper published in the City and having a general circulation therein, which Proclamation shall advise that the results as proclaimed shall be conclusive unless attacked in the courts within thirty days after the date of publication.

Section 7. A copy of this Ordinance shall be given to the Clark County Board of Election Commissioners so that the necessary election officials and supplies may be provided. A certified copy of this Ordinance shall also be provided to the Commissioner of Revenues of the State of Arkansas as soon as practical.

Section 8. The Mayor and City Clerk, for and on behalf of the City, be, and they are hereby authorized and directed to do any and all things necessary to call and hold the special election as herein provided and, if the levy of the Sales and Use Tax is approved by the electors, to cause the Sales and Use Tax to be collected in accordance with the Authorizing Legislation, and to perform all acts of whatever nature necessary to carry out the authority conferred by this Ordinance.

PASSED: April 15, 2004.

APPROVED:

ATTEST:

City Clerk

Mayor

(SEAL)

CERTIFICATE

The undersigned, City Clerk of Arkadelphia, Arkansas, hereby certifies that the foregoing pages are a true and perfect copy of Ordinance No. O-04-04, passed at a regular session of the Board of Directors of Arkadelphia, Arkansas, held at the regular meeting place of the Board of Directors at 7:00 o'clock p.m., on the 15th day of April, 2004, and that the Ordinance is of record in Ordinance Record Book No. _____, Page _____, now in my possession.

GIVEN under my hand and seal this _____ day of April, 2004.

City Clerk

(SEAL)